CHAPTER I

INTRODUCTION

Regional Office Monitoring of Unemployment Insurance Benefit Accuracy Measurement

1. Purpose and Structure of the Handbook. This Benefit Accuracy Measurement (BAM) monitoring handbook provides a systematic approach for the Regional Offices in reviewing and supporting SESA administration of the BAM program. Such systematic review will enable Regional Office staff to compile a comprehensive body of knowledge concerning the program in each SESA. More important, Regional monitoring is done to ensure that each UI BAM program is operated in accordance with BAM requirements as set forth in Federal regulation and in ET Handbook No. 395, Benefits Quality Control State Operations Handbook.

The Handbook is structured to offer a-standardized method of gathering, analyzing, and presenting findings of a variety of program operation reviews. Additionally, it offers examples of appropriate leadership efforts that the Regions may undertake to foster effective BAM programs in the States, and for the provision of technical assistance and support to the SESAs when necessary and feasible. For detailed guidance on how to use the automated Regional Monitoring System, this Handbook makes reference to ET Handbook No. 404.

This chapter examines first the three distinct responsibilities of the Regions in the State BAM programs. These responsibilities are defined in UI/BAM policy and program directives as follows:

a. to provide program leadership, working actively with SESA management and staff to implement a sound UI BAM program and to promote long-term UI program improvements based upon analysis of BAM and other UI data and the interpretation of BAM findings.

b. to provide technical support in the development and maintenance of the UI BAM program in each State, and

c. to monitor (oversee and assess) SESA BAM program operations and staff performance by way of periodic progress reviews in order to foster and maintain an effective BAM program in each SESA.

Following that, this chapter briefly identifies the types of BAM reviews-required during the program year, explains briefly the scope of the general monitoring process, and identifies the relationship of Regional and National office staff in the conduct of their respective functions in this important UI program.

Finally, this chapter describes briefly the content of the other seven chapters which complete the Monitoring Handbook.

2. Regional Office Responsibilities in BAM. The role of the Regional Office in BAM is broad. In their relationships with SESA UI management and staff, the Regional staff alternately play a role of monitor, technician, advisor, and evaluator. Implementation of BAM in a program as complex as Unemployment insurance calls for active leadership and strong technical support from each Region. These BAM program responsibilities are discussed below.

a. BAM Program Leadership. A major responsibility of the Regional Office is to provide active program leadership to the SESAs to foster an effective BAM operation. The ultimate goal, of course, is to foster long-term UI program improvement measures based upon BAM findings. ("Program improvement" is used here to cover a wide range of operational, policy, and program changes that may be undertaken by SESA management to ensure proper operation of the UI system.)

Regional Office leadership can involve such specific efforts and actions as:

o Reviewing BAM data and other UI operational information to identify factors which adversely affect proper payments. The Region can also assist SESA staff in BAM data analysis and in the interpretation and presentation of their findings to SESA management.

o Working with SESA principals in formulating and testing program improvement measures.

o Setting up conferences or seminars for SESA and Regional staff on the utilization of BAM data findings for the improvement of UI payment operations.

o Identifying and documenting SESA BAM developments and facilitating the exchange of information among the States regarding UI program improvements.

b. Implementation of UI/BAM Support. Varying from State to State, there are a number of ways that the State agencies can benefit from Regional office technical support in refining their BAM operations. A few examples of such Regional staff support are:

o Collaboration with National Office UI/BAM staff in developing training in BAM case investigation methodology for SESA investigative staff. Such training should. be presented by the Regional Offices with the support of the National Office.

- o Encouraging and assisting SESAs to plan program improvement activities based on BAM and other UI Performance measurements.

- o Identifying the need for other technical training for SESA BAM staff (for example: nonmonetary determination training) and offering assistance, if appropriate, to the SESAs in developing and providing such training.

- o Working with States in planning and later monitoring pilot BAM projects and special studies carried out by the SESAs. Also, encouraging and reviewing SESA participation in studies and program evaluations independently funded by the National Office.

c. Monitoring SESA BAM Operations and Staff Performance. Regional office oversight of State BAM operations and investigative performance is generally realized through periodic field reviews or monitoring trips- to the SESAs. Such monitoring involves a number of activities, for example:

- o Review periodically samples of SESA-investigated claims, in order to assess the accuracy and completeness of a SESA's BAM case investigation performance. Regional Offices (ROs) are required to sample a minimum of 40 BAM cases per year. The sampled cases must be representative of the annual workload; therefore, the review must be conducted in more than one quarter, but not all in two consecutive quarters. Each sample must contain at least 10 cases. Other than these requirements, the ROs have the flexibility in designing their process of review of cases.

- o Conduct methods and procedures (M & P) reviews of each SESA biennially, and monitor M & P elements on an on-going basis to determine if the SESA adheres to BAM organizational and procedural methodology.

- o Review, periodically, SESA sample selection and assignment practices, timeliness of SESA BAM case completion, and case reopening practices.

- o Investigate, on occasion, specific sampling exceptions that may occur among SESAs and that may reflect aberrations in the sampling process which need to be corrected by the respective SESAs.

- o Recommend appropriate administrative and procedural BAM corrective action and negotiate with SESA staff for acceptance of such recommendations.

- o Carry out an end--of-year assessment of the status of each SESA's **BAM program.** This assessment, called the Annual BAM Administrative Determination, is based on monitoring conducted throughout the year and assesses the relative strengths and weaknesses of each SESA program.- It serves as a vehicle by which Regional Administrators annually inform each SESA regarding its compliance with basic BAM regulations.

3. Contents of the Handbook. The remaining sections and content of the Handbook are summarized below:

a. Methods and Procedures Reviews. Chapter II describes the review of the organizational location of the SESA BAM unit, its operating authority, the adequacy of written BAM procedures, and BAM forms.. The formal biennial review and ongoing monitoring will determine if the SESA's BAM operations are being administered in compliance with BAM organizational and methodological requirements.

b. Sampling Review. Chapter III describes the review of the SESA's selection of cases to ensure adherence to established standards of random selection and assignment. It also identifies a number of sampling exceptions that occur occasionally in SESA sampling data and which require Regional investigation and SESA resolution.

c. Timeliness Review. Chapter IV sets forth the requirements for timely completion of SESA BAM case investigation and describes the process of Regional Office review of case completion timeliness.

d. Case Review. Chapter V describes the process of reviewing BAM cases to assess the adequacy of the investigation and the accuracy of the coding of case data.

e. Support for Case Review. Chapter VI contains a description of the case review reporting system developed for use by Regional Office monitors. It describes the types of reports which will be generated and provides an explanation of their usaae and their relationships to the required reviews described in other chapters.

f. Review Completion. Corrective Action. Dispute Resolution, and Annual BAM Administrative Determination.

Chapter VII describes actions necessary by Regional staff during and subsequent to a monitoring trip to bring about required BAM corrective action, dispute resolution, or review closure whenever SESA BAM operations do not meet BAM requirements. Guidance is provided for Regional Office technical assistance in the planning of SESA BAM operational changes and for working to achieve an acceptable resolution of disputed issues.

g. Review Documentation and Regional Office Reporting. Chapter VIII provides guidelines for achieving adequate documentation of review findings necessary for assessment of SESA progress and for preparation of subsequent quarterly reports to the National Office, as well as for communicating findings to the SESAs.

h. Appendices. Appendices consist of reference documents and copies of all worksheets to be used for monitoring and reporting on the BAM program.

4. Tunes of Reviews, the Process. and the Participants.

a. Tunes of BAM Reviews. Regional Office monitoring involves three types of review of SESA BAM operations -Annual BAM Administrative Determination, Methods and Procedures Reviews and Program Reviews as follows:

(1) Annual BAM Administrative Determination. This is a once-a-year determination of a SESA's compliance with established BAM requirements. This determination is based upon the findings of the M & P review of each SESA biennially, or on-going monitoring of M & P elements in non-review years, and the final progress reviews in other major BAM program operations.

(2) Methods and Procedures (M & P) Review. A formal review of Written Procedures and BAM Forms should be conducted biennially. Since changes in organization and Authority occur only in rare instances, they should be noted on an exceptions basis. Monitoring of the following four program elements should be continuous:

- Organization
- Authority
- Written Procedures
- QC Forms

(3) Program Reviews. The following BAM program facets are monitored by the Regions periodically and at the close of the program year:

(a) Timeliness of SESA case completion.

(b) SESA- sample selection, assignment, and sampling exceptions.

(c) SESA case investigation /verification -- a review of a random sample of completed BAM cases to assess the adequacy of SESA investigations and the accuracy of data collection coding. Reviews encompass the BAM methodology defined in Federal regulation and contained in ET Handbook No. 395, Benefits Quality Control State Operations Handbook.

(d) SESA case reopening activity.

b. The Monitoring Process. Monitoring a SESA's BAM program by Regional office staff may involve some or all of the following processes:

(1) Reviewing subject areas for compliance with BAM methodology as prescribed by Federal regulation and ET Handbook No. 395, Benefits Quality Control State Operations Handbook;

(2) Obtaining BAM program corrective actions by SESAs to resolve BAM operational deficiencies;

(3) Resolving disputes when a SESA disagrees that a BAM program corrective action is necessary;

(4) Maintaining records and making reports; and

(5) Preparing the Annual BAM Administrative Determination concerning each SESA's compliance with BAM requirements.

Supplemental information on the Regional office monitoring process is provided in Appendix A in the form of a Monitoring Process Flow Chart (App. A-1) and a Monitoring Process Explanation (App. A-2).

c. Participants. Regional offices have primary responsibility for monitoring BAM operations in the SESAs. National Office staff will participate on a limited basis, as follows:

(1) Will assist in staff training and provide other technical assistance, when requested by Regional Offices, and when feasible.

(2) Will rereview cases in selected States to increase uniformity of case review among Regions.

(3) Will review semi-annual reports submitted by Regional Offices (Chapter VIII, sec. 5) and will review the findings and conclusions of the Regional Offices' biennial Methods and Procedures reviews in an effort to ensure the integrity of the State BAM program.

(4) Will review Annual BAM Administrative Determinations following Regional issuance to the SESAs.

5. Review Calendar. Monitoring~activities are to be scheduled in order to accomplish the following reviews in a timely manner.

Schedule	Program Facet
a. Ongoing	SESA completed BAM cases SESA case reopening activity M & P elements
b. Quarterly	SESA sample-selection, assignment, and exceptions Timeliness of case completion by SESAs
c. Semi-annually	Report on status of SESA's BAM program
d. Annually	BAM Administrative Determination Case reopenings
e. Biennially	Methods and Procedures formal review